

Hospital construction spending

ISSUE: Over the past few years we have examined access to capital for hospitals and found that it has been good. As one indicator of access to capital we have followed the rise in spending on hospital construction. For example, the Census Bureau reports that construction put in place has increased from \$12 billion in 2000 to a projection of over \$30 billion in 2007.

KEY POINTS: In this session, we will review data on hospital construction and factors that may explain them.

ACTION: Commissioners may find this information useful in future considerations on hospital payment and should suggest any further questions they would like staff to investigate on this topic.

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